VZCZCXRO1362 PP RUEHLH RUEHPW DE RUEHIL #0807/01 1061118 ZNY CCCCC ZZH P 161118Z APR 09 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHDC PRIORITY 2310 INFO RUEHBUL/AMEMBASSY KABUL 0124 RUEHLO/AMEMBASSY LONDON 0083 RUEHNE/AMEMBASSY NEW DELHI 4738 RUEHKP/AMCONSUL KARACHI 1460 RUEHLH/AMCONSUL LAHORE 7060 RUEHPW/AMCONSUL PESHAWAR 5994 RHMFISS/CDR USCENTCOM MACDILL AFB FL RUEAIIA/CIA WASHDC RUEKJCS/SECDEF WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 ISLAMABAD 000807

SIPDIS

E.O. 12958: DECL: 04/16/2019

TAGS: PGOV PREL PINR PTER PK
SUBJECT: GILANI TO KERRY: NO CONDITIONALITIES, NO DRONES

REF: ISLAMABAD 789

Classified By: Anne W. Patterson for reasons 1.4 (b), (d).

- 11. (C) Summary: Codel Kerry met April 13 with PM Gilani. Gilani complained about the conditions recently placed on the House version of the Senator's bill; Kerry said his Senate version would be "very different," and rejected conditions as demeaning. However, he was adamant that metrics would be necessary to ensure goals were achieved. Gilani recommitted his country to the war on terror, cataloguing Pakistani losses. Gilani also lamented the demoralization of both the police and military. More training and equipment was needed for both, said the PM; more intelligence sharing was needed bilaterally, Interior Minister Malik added. Gilani especially criticized the alleged U.S. drone attacks; such incidences were public relations boons for the militants, and "our side" was losing the public's hearts and minds. Gilani dismissed criticism of the Swat deal, saying the former princely state was just following its own traditions; the GOP had surrendered the writ of the state, Kerry countered. Gilani again promised cooperation with the Indian Government on the Mumbai investigation, and hoped for progress on Kashmir so that both countries could focus on fighting terrorism. End summary.
- 12. (SBU) U.S. participants included Senator John Kerry (D-MA) and the Ambassador, with Teresa Heinz-Kerry, Frank Lowenstein, and Fatema Sumar. Pakistan's Prime Minister Yousuf Gilani was joined by Interior Minister Rehman Malik and Foreign Secretary Salman Bashir.

Trust is the Coin of the Realm

- 13. (C) PM Gilani commenced his April 13 meeting with Codel Kerry by welcoming the \$1.5 billion in development assistance planned for next fiscal year under the Kerry-Lugar bill. however, took umbrage at the "conditionalities" placed on Pakistan to receive the moneys, recently added to the House version of the bill. It showed a "trust deficit." Contrary to popular belief, the GOP had a counterterrorism policy and was implementing it. The policy was adopted unanimously by the parliament in October 2008, he noted, and the militants' lashing out beyond their usual area of operations was proof of implementation, Gilani argued. He was certain Foreign Minister Shah Mehmood Qureshi, who is planning a trip to Washington soon, could convince Congress to recognize Pakistanis' sacrifice and to remove the conditions.
- $frac{1}{4} extcolor{1}{4} extcolo$ before the Senate soon and mentioned "key differences" between the Senate and House versions. He said the bill

would fulfill the USG's promise of a long-term commitment to Pakistan and would broaden the relationship beyond just counterterrorism. Kerry agreed that conditions were "demeaning," however, he insisted on the need for metrics; the U.S. constituency must be assured, unlike in the past, that funds were achieving results.

15. (C) Gilani appreciated Kerry's call for "multi-dimensional cooperation," adding both countries needed to win over Pakistanis' hearts and minds. Poverty, hunger, disease, and unemployment were the root cause of terrorism. However, "strings" on USG assistance would only be misrepresented by opposition political parties, Gilani insisted. He repeated that the fight against extremism was "Pakistan's war," and noted the recent attacks in Lahore -- against the convoy of the Sri Lankan cricket team and against a police training facility -- as just the most recent examples of Pakistan's losses in the war. These surely outnumber NATO losses in Afghanistan, Gilani argued.

Honing in on Drones

16. (C) The GOP needed more than development assistance, it needed political support too, said Gilani, adding the police were particularly demoralized. He asked the USG to help with Pakistan's law enforcement capacity: subsidies for life insurance; bullet-proof jackets; and fortified offices and barracks. He hoped the Donors' Conference later in April would help in such projects. Police capacity was essential for it would eventually have to maintain the peace in areas

ISLAMABAD 00000807 002 OF 002

re-captured by the Pakistan military.

17. (C) Without commenting on the efficacy of alleged U.S. drone attacks, Gilani argued that such incidences were public relations windfalls for the militants. The militants always arrived at a site before official forces, buried the actual targets, but left women and children victims out for media coverage. The situation made the Pakistan military look weak, as well as making it more difficult to recruit for local militias (lashkars).

Swat

- 18. (C) Kerry was frank about Pakistan detractors in the U.S. Many Americans questioned Pakistan's commitment to the war on terror in light of the Swat agreement imposing shari'a law in the NWFP district. It appeared the GOP was surrendering its writ over national territory. Gilani could only note that Swat was once a princely state, "with its own customs." Raising the international reports about the flogging of a young girl, Gilani offered the possibility that the event took place before the Nizam-e-Adl regulations and maybe even someplace else, not Swat.
- $\underline{\P}9$. (C) Interior Minister Malik also noted that the judges of the area would continue, just in the Qazi courts, enforcing the new regulation and not the national criminal code. added that the secular Awami National Party (ANP), which governed the NWFP, had suggested the terms of the peace accord. If there was any "hanky-panky" (breaking of the accord's terms), the Army would be prepared to strike, he claimed; this would be reviewed in two weeks, he promised. But the GOP needed more intelligence sharing with USG agencies, Malik added, to which Gilani quickly agreed. Federally Administered Tribal Areas' (FATA) Bajaur and Mohmand Agencies were back under federal GOP control, however, said Malik.

India

110. (C) Gilani claimed his administration was cooperating

with the GOI on the Mumbai investigation; more information would be provided within the week. He was disappointed that Special Representative Ambassador Holbrooke's mandate did not include the resolution of disputed Kashmir, though he saw positive signs from the GOI toward a settlement. The issue needed to be put to rest so that both countries could focus jointly on fighting terrorism, he concluded.

 $\underline{\P}$ 11. (U) This cable was cleared by Codel Kerry.

PATTERSON